Labour Market

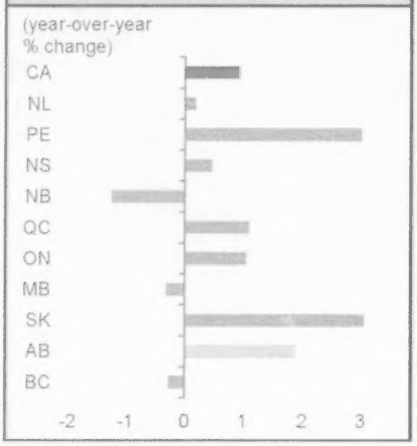
NOTES ■ May 2013

Alberta employment jumps, pushing down unemployment rate

Alberta

- Employment posts biggest increase since July 2011. Alberta gained 14,800 jobs in April, more than replacing the 11,300 jobs lost in the previous month. April's increase was largely due to gains in private jobs (+11,700) and full-time positions (+19,000). Alberta has gained 40,100 jobs since April 2012, representing a 1.9% increase.
- Goods-producing sector fuels rise in employment. The job gains in April were largely due to an increase of 13,000 jobs in the goods-producing sector. Within this sector, construction saw the biggest gain (+6,400), followed by forestry, fishing, mining, oil and gas (+4,300). In the services sector, the professional, scientific, and technical services industry (+6,800) posted the largest gain.
- Unemployment rate drops for the first time in six months. Alberta's unemployment rate decreased to 4.4% in April from 4.8% in the previous month. Alberta's unemployment rate remains well below the national average of 7.2%.
- Weekly earnings jump in February. Average weekly earnings increased 1.5% to $1,100 in February. This is 4.5% higher than February of last year.

Employment Growth by Province, April 2013 vs. April 2012



Source: Statistics Canada

Canada

- Canadian employment virtually flat. Canada added only 12,500 positions in April, following a loss of 54,500 in March. Alberta (+14,800) and British Columbia (+9,500) were largely responsible for the employment increase, as four provinces lost jobs in April, and Ontario and Quebec saw almost no change. Canada has gained 162,500 jobs (0.9%) since April 2012, all in full-time positions.
- Unemployment rate unchanged. The Canadian unemployment was flat in April at 7.2%.
- Weekly earnings edge up. Canadian average weekly earnings increased 0.9% to $909 in February, representing a 3.1% gain over February 2012.

Alberta Labour Market Indicators

Indicator	April or Latest*
Employment	2,182,700
month-over-month change	14,800
year-over-year % change	1.9%
Alberta Unemployment Rate (UR)	4.4%
Edmonton UR**	4.7%
Calgary UR**	4.7%
Participation Rate	72.5%
Average Weekly Earnings (AWE)	$1,099.77
year-over-year % change	4.5%
Average Hourly Wage	$27.80
year-over-year % change	6.8%
Job Vacancy Rate**	2.4%

Source: Statistics Canada

* All data is from the Labour Force Survey for April except AWE, which is from the February Survey of Employment, Payrolls and Hours (SEPH), and the job vacancy rate which is from the January SEPH.

** This indicator is calculated as a three-month moving average.

For definitions of the data indicators discussed in this publication, please see the second page of August's Labour Market Notes

Which industries in Alberta have the most job openings?

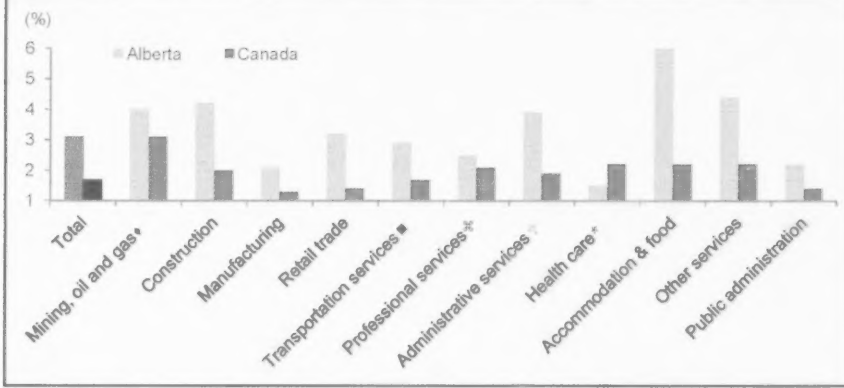
Labour market conditions can vary by industry depending on the economic climate and the type of workers required. Statistics Canada's job vacancy data provides a gauge of how difficult it is for employers to fill jobs in different industries. This month's Labour InSight looks at what industries in Alberta and Canada have the most unfilled positions.

Job vacancy rate exceeds national rate in almost all industries

Last year, the province's job vacancy rate of 3.1% was almost double the Canadian average rate of 1.7%. This, combined with Alberta's low unemployment rate, indicates that Alberta's labour market was much tighter than the national market. The job vacancy rate measures the number of vacant jobs as a percentage of labour demand (unfilled job positions plus filled job positions). For a detailed explanation of job vacancy rates see September 2012's Labour InSight.

Alberta's high job vacancy rate relative to the national rate is broad-based across industries (see chart 1). In 2012, the province had a higher job vacancy rate than the Canadian rate in every industry except health care and social services. Accommodation and food services had by far the highest job vacancy rate in Alberta at 6.3%, followed by other services, construction, and mining, oil and gas. This pattern is similar at the national level, with the same four industries posting relatively high vacancy rates.

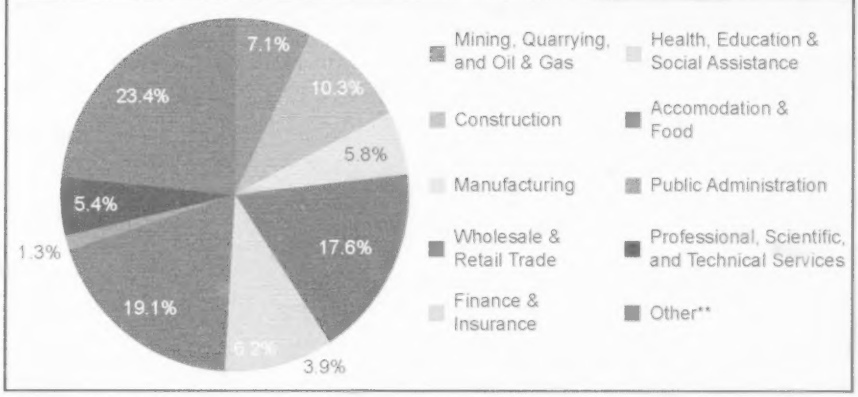
Chart 1: Job Vacancy Rates by Industry (2012)



Source: Statistics Canada

* Mining, quarrying, and oil and gas extraction ■ Transportation and warehousing
※ Professional, scientific and technical services ✣ Administrative and support, waste management and remediation services
* Health care and social assistance

Chart 2: Share of Alberta Job Vacancies by Industry (January, 2013)*



Source: Statistics Canada

* Monthly job vacancy data are not seasonally adjusted and are expressed as a 3 month moving average.
** "Other" represents industries with suppressed data and unclassified industries.

Job vacancies move lower

Alberta's job vacancies have been steadily declining since last year. Job vacancies have fallen by 5,000 over the latest 12 month period. This has pushed the job vacancy rate down by 0.4 percentage points over this period. A strong inflow of migrants in recent quarters has added to the province's labour supply, and likely played a key role in helping fill new job openings. At the industry level, mining, oil and gas and health care and social assistance contributed the most to the decilne.

The Canadian job vacancy rate has also moved lower. It is currently at 1.4%, the lowest level since January 2011, the earliest data available.

Conclusion

Alberta's job vacancy rate far exceeds the national average, an indication of a strong labour market. Looking at the industry data reveals that Alberta's high vacancy rate is fairly broad based across industries. The industry with the highest job vacancies in Alberta, both in levels and as a share of labour demand, is accommodation and food. Since early 2012, job vacancies have moved lower, supported by large inflows of migrants to Alberta.

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